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Mid-term review of the fourth country programme for Mozambique

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I. INTRODUCTION

1. In February 1995, the Government of Mozambique and UNDP initiated preparations for the mid-term review of the fourth country programme for Mozambique for the period 1993-1997 (DP/CP/MOZ/4). Extensive consultations resulted in the preparation of the joint issues paper, which was tabled at the June 1995 mid-term review meetings jointly led by the Government and UNDP. Some representatives of the United Nations agencies and personnel of projects under national execution also participated in the meeting. Their objective was to ascertain the relevance of the fourth country programme and the progress on its implementation, and to analyse and make recommendations on areas of common concern. The mid-term review process was beneficial for the Government, UNDP and United Nations agencies, in terms of reviewing programme priorities and reorienting UNDP work against the backdrop of the significantly modified socio-political climate, where development is gaining precedence over relief and humanitarian assistance activities.

II. MID-TERM REVIEW PROCESS

2. The formulation of the fourth country programme for Mozambique was completed at the time of the historic signing in Rome of the General Peace Agreement for Mozambique. The Government and UNDP agreed that a detailed funding allocation would cover the initial two years of the cycle only and that annual reviews and an in-depth assessment of the programme would be undertaken in mid-1994, to ensure that the programme objectives could be redirected as needed, in order to remain relevant and responsive to the changing political and socio-economic environment.

3. Pressing issues related to the process of rehabilitation, in particular, the electoral process, led to a decision to postpone the date of the mid-term review, which was scheduled initially for mid-1994. In mid-1995, with the elections successfully completed, the consolidation of the peace process, the culmination of the mandate of the United Nations Operation in Mozambique (ONUMOZ), and the presentation of a new comprehensive programme by the new Government for the donors at the Consultative Group Meeting, UNDP was in a better position to gauge its role, given the existing operational context laid out - the final stages of rehabilitation and the signs of a shift towards the longer-term development process of the country.

4. In 1994, when the decision to postpone the mid-term review was taken, the Government and UNDP carried out a series of reviews, resulting in the completion of one-page evaluations of each project. In February 1995, when preparations for the mid-term review began in earnest, a national consultant was hired to integrate the preliminary evaluations with more in-depth information gathered from Government counterparts, project staff, UNDP staff and other involved parties, including United Nations agencies. The resultant report evolved into the joint issues paper.

5. The implementation of the mid-term review recommendations is the next major programming step. Both the Government and UNDP are ready to begin this

subsequent phase of the process. Another phase of the process will be the consolidation of evaluation data collected during the mid-term review which will contribute to the formulation of the country cooperation framework, which is envisaged to begin in January 1997.

III. FOURTH COUNTRY PROGRAMME BACKGROUND

6. The fourth country programme was formulated during the period of transition, when the Government sought assistance from the donor community to address major issues related to poverty alleviation, human development and economic growth. Thus, the fourth country programme was in essence formulated as a recovery programme comprising humanitarian assistance, along with policies designed to restore stability and improve the quality of life of the population.

7. With the establishment of ONUMOZ and the Humanitarian Assistance Coordination Office (UNOHAC), immediate humanitarian assistance needs were funded through the special trust funds created for that purpose. The fourth country programme focused primarily on the overwhelming need to strengthen national institutional and human capacities, a massive task, requiring the mobilization of additional resources from the rest of the donor community.

8. Other important elements of the fourth country programme include:

(a) Flexibility to allow the redirection of resources to meet short-term needs;

(b) Introduction of the programme approach through pre-programmes in several areas;

(c) Increase in national ownership by promoting a larger share of national execution of major pre-programmes and projects;

(d) Emphasis on institutional support and capacity-building as tools to implement further reconstruction programmes;

(e) Support to decentralization through the strengthening of provincial capacities;

(f) Limitation of actions to safe areas, which were mainly the provincial capitals, since freedom of movement was still restricted.

9. Three areas of concentration were targeted by the Government for UNDP involvement: poverty alleviation and post-war rehabilitation; economic and financial management; and environment and natural resources management. The area of poverty alleviation and post-war rehabilitation includes the restoration of rural activities, through increased food-crop production in the family sector; social programmes, particularly in the fields of health, education and low-cost sanitation; and some humanitarian activities.

10. The area of economic and financial management includes activities in economic policy and planning; public finance management; monetary policy,

banking and foreign exchange and financial markets; aid coordination, management and mobilization; civil service reform; public sector management; decentralization; and the statistical system. Environment and natural resources management covered support to natural resources management, in the areas of agriculture, fisheries, forestry and wildlife, environment, water, etc., through the relevant institutions; and the preparation of a national environment management programme.

IV. PROGRAMME RELEVANCE AND ACHIEVEMENTS

A. Continuing relevance of areas of concentration

11. In December 1994, a little more than two and one half years after the formulation of the fourth country programme, the first democratically elected President and members of parliament took office and a new Government was designated by the President. The new assembly began its work in March 1995 and the State budget was approved in April 1995.

12. Although there was considerable change in the socio-political context of the country, the existing areas of concentration, with subtle changes, were deemed to be still relevant when reviewed by the Government and UNDP, a testimony to the flexibility and responsiveness of the programme focus. At the same time, an important new area of concentration was identified to help the country continue the democratic processes that have recently been initiated.

13. The new areas of concentration agreed upon in the mid-term review and understood to be a logical continuation of the first half of the programme were: (a) poverty eradication; (b) economic and financial management; (c) natural resource management; and (d) good governance.

14. It was noted that poverty eradication, in all its complexity, rather than poverty alleviation is the ultimate goal of all programme activities. It was also decided that "environment" should be considered a cross-cutting theme, similar to gender, rather than as part of an area of concentration. As such, UNDP proposed that environmental overviews of programmes (EOPs) is a useful tool for projects. It was accepted that EOPs will be completed in a systematic manner during the formulation stage.

15. The inclusion of the area of good governance is viewed as an appropriate accompaniment to efforts in the area of economic and financial management, in order to assist Mozambique in attaining economic and political stability. The Government views good governance as the area of concentration as one that will permit the institutions responsible for the consolidation of the democracy process to be reinforced and strengthened.

B. Progress in programme implementation

Poverty alleviation and post-war rehabilitation

16. This has been the main objective of all UNDP activities and is in line with the Government's primary goal of reducing absolute poverty, as noted in paragraph 14.

17. Recovery of the rural sector through increased productivity of individual and small-scale agricultural producers (some 60 per cent of whom are women) is the linchpin of the Government's poverty alleviation strategy. Not only is agricultural production the main engine of gross domestic product growth, it is the key to providing food security as well as surpluses for trading. During the mid-term review it was recognized that the agriculture pre-programme has created conditions for the development of family sector production, concentrating in land-use planning, extension and investigation, credit, forestry and institutional support. In order to strengthen the efforts of donors in supporting rural activities, it was agreed that there is a need to establish a dialogue, encompassing some of the lessons the pre-programme has learned, on providing credit to rural communities.

18. Investing in people by ensuring that basic health and education needs are met to the greatest extent possible is an approach that Mozambique utilizes to complement its poverty reduction strategies. In the area of social services, it was noted that the education and health sectors had obtained good results and maximized their impact through close coordination with other donors. For instance, a master plan for basic education also provides an effective framework allowing inter-agency and bilateral coordination. In the health sector, UNDP has followed suggestions from other donors and is administering a multi-donor trust fund, which allows donors to pool financial support for the provision of untied technical assistance.

19. An essential contribution to the quality of life of the most needy groups of the population was provided through the low-cost sanitation project. In 1994, a sustainability report and a master plan for the period 1995-2000 were finalized, which provided the basis for the formulation of the programme support document (PSD), which will be made operational shortly.

20. Support to the urban development and housing sector, which was discontinued in 1993, owing to a poor choice of strategies and the lack of a single institution fully responsible for the outcome of activities, was discussed. UNDP indicated that it may consider investing again in the sector, as there have been indications of greater coordination since new institutions were created after the elections.

21. It is important to note that a Rehabilitation and Reconstruction Unit was established at the beginning of 1995 to assist the UNDP country office in monitoring approximately 45 activities which were initiated by UNOHAC. Most of those activities are small, grass-roots interventions.

Economic and financial management

22. The projects within this area of concentration contributed to improved vertical and horizontal coordination of economic management and planning instruments. Key activities and outputs included updating of databases, creation of econometric and non-econometric models and refinement of software to support the elaboration of the National Reconstruction Programme and Triennial Public Investment Plan. The strengthening of national capacity to manage and use those planning instruments and information systems was given priority.

23. During the review meeting, UNDP announced that the new PSD for the economic and finance sector, which builds on previous support, is expected to be approved early in 1996. The recent programme extensions incorporate support to planning, finance and statistics matters.

Environment and natural resources management

24. Although Mozambique has an abundance of undeveloped natural resources, some areas of the country (particularly the urban areas, transport corridors and the coastal strip) are already suffering severe environmental degradation from the concentration of large numbers of displaced persons.

25. With the signing of the peace agreement, the resettlement of millions of persons, and the motivation of Government displayed through the former National Environment Commission, there was an incentive for UNDP to support the Government in its production of a strategic policy for natural resource management. The recognition by the Government of the importance of sustainable development through the creation of a Ministry for Coordination of Environmental Action was viewed as a successful consummation of previous efforts.

26. Evaluations of support provided through pre-programmes in the areas of fisheries and forests expressed satisfaction with their results. The Government began implementing a master plan for fisheries in September 1994. National staff at central and provincial levels are taking an active role in the preparation of the full-scale national forestry programme, and a pilot phase of introduction of statutes and regulations for water rights produced a model that could be used in various regions of the country. Cooperation with other donors in those sectors enhanced the impact and delivery of the technical assistance.

27. It was noted that in all three areas of concentration, the geographical coverage changed considerably between 1992 and June 1995, when the mid-term review was held. In 1992 and 1993, the fourth country programme had to limit its action to safe areas, which were mainly the provincial capitals, since freedom of movement was restricted. However, as the peace process gained momentum, the Government increasingly supported a policy of decentralization. As stability increased, UNDP examined how it could support the Government and extend management capacity to the provinces. Training was provided at the provincial level in the areas of forestry, education, health, water supply, and sanitation, and provincial government bodies were engaged as implementing agencies. Both the Government and UNDP expect programmes to continue to increase in scope and to build capacity at all levels of Government throughout the country.

C. Programme approach

28. UNDP advocacy of the programme approach was reflected in the fourth country programme. However, the late issuance of the Guidelines for Programme Support Document and the Programme Support Implementation Arrangements, as well as the state of flux of government entities during the period immediately following the cease-fire, hampered a quicker introduction of the approach. Instead, UNDP concentrated on capacity-building objectives that supported Government in policy-making reflective of national programme objectives. As noted above, UNDP projects assisted the Government in establishing pre-programmes and in formulating master plans and national strategies. With several programmes established in the first half of the country programme, the Government and UNDP spent much of 1995 preparing the first PSDs; it is expected that four PSDs will be approved early in 1996.

29. One unexpected benefit of the limited knowledge of the PSD/programme support implementation arrangement (PSIA) format in Mozambique, including among the donor community and pool of consultants, is that the ministries have had to be highly involved. In many cases, ministry personnel have written large parts of the PSD documents themselves. In April 1995, three government and UNDP representatives received training on the PSD/PSIA format. Subsequently, UNDP organized training sessions to disseminate the information gained in the initial session. UNDP intends to continue to organize training on the format.

D. Aid coordination/resource mobilization

30. A major initiative during the fourth country programme was the formulation of the country strategy note (CSN), a process stressed in General Assembly resolution 47/199 of 22 December 1992, aimed at improving inter-agency coordination at the country level, in order to ensure that programmes emanating from the United Nations system were actually meeting national needs and priorities. The final draft of the CSN, already available in 1994, was approved by the Council of Ministers in August 1995. The CSN provides, inter alia, a base for evaluating the rest of the fourth country programme and will be a principal reference in the formulation of the new country cooperation framework.

31. Initial efforts to operationalize CSN through specific projects were undertaken. For instance, the United Nations Children's Fund (UNICEF) has worked with UNDP to advocate an overall development policy linked to sustainable human development (SHD). PROAREA, a sustainable rural development pilot project, is being implemented in close consultation with the Office of the United Nations High Commissioner for Refugees and is covered by an International Fund for Agricultural Development, World Bank and UNDP letter of intent. In early 1995, a retreat for heads of United Nations agencies allowed them an opportunity to elaborate on their areas of coverage and explore their approach, in concrete terms, to increased collaborative programming.

32. It was noted that the Office of the Resident Coordinator has an important role to play in developing the commitment exhibited by United Nations agencies to work more closely together within the framework proposed in the CSN.

33. Another mechanism that UNDP introduced in Mozambique is the pooling agreement, which is a multi-donor trust fund, where donors participate on a steering committee to decide with recipient ministries on the provision of necessary technical assistance. It is this participation, which increases donors' understanding of subsequent reports, which distinguishes the pooling agreement from the provision of untied aid which is "entrusted" to UNDP. This mechanism was initiated in the health sector in 1994, and is being proposed for the higher education sector.

34. The UNDP country office has made great efforts to mobilize resources as well as to administer programmes financed by other donors. The availability of resources from the donor community for financing important steps of the reconstruction process of the country, such as the elections and the programmes of support of the demobilized soldiers, must be recognized. Those endeavours translated into important co-financing activities, which were implemented under cost-sharing and trust fund modalities. A study of the composition of funds that are administered by UNDP indicates that only 41 per cent are from indicative planning figure (IPF) resources, whereas 51 per cent are from trust funds and 5 per cent from cost-sharing arrangements.

35. UNDP assumed a predominant role by leading the coordination of technical support to the electoral process. The umbrella project was initiated in mid-1993, using $600,000 of IPF funds as seed money. It attracted close to $60 million from the donor community. The peaceful holding of elections was a triumph for the country, the donor community and ONUMOZ, a victory shared by UNDP.

36. The electoral programme was a good example of what UNDP can achieve in its role as coordinator. UNDP and donors have capitalized on this coordination, which began with the election process, maintaining a donors Aid-for-Democracy Working Group, which meets weekly, as well as a Public Sector Reform Working Group.

V. OPERATIONAL ISSUES

37. For the implementation of its fourth country programme, Mozambique was allocated $92.9 million of UNDP fifth cycle IPF. Borrowings from 1992 and from an extension of the third country programme, coupled with an increased awareness of budgetary constraints in headquarters, later resulted in a reduced IPF of $62.3 million for the period 1992-1996.

38. Although the decrease in available funds resulted in an alteration of activities and cuts to programme budgets, one positive effect was that the country office was forced to focus on fewer sectors, concentrating on larger programmes with national scope instead of distributing the funds among smaller projects, as in the previous country programme. Data revealed that the number of projects was reduced from 70 in 1992 to 28 by the end of 1994. Project areas included civil aviation, housing, commerce, tourism, support to the National Emergency Authority, among others.

39. There seemed to be consensus that, in the current financial climate, the approach described above was appropriate in most cases. At the mid-term review, UNDP indicated its intention to continue the trend of reducing the number of areas of intervention, as well as the number of projects, so that it can engage in programmes with greater impact. The formulation of projects and programmes will allow donors to participate in providing the necessary technical and financial support.

40. In view of the reduced amount of IPF funds, the Government and UNDP agreed on the importance of the implementation rate as an indicator for assessing how much core funding will be allocated. It is expected that the implementation rate for 1995 will be 83 per cent and the UNDP country office has called upon its Government partners to work together to maintain the high level of delivery through the end of the programme cycle.

41. As UNDP spent considerable time in the closing of projects to help streamline its activities, difficulties linked to the transfer of equipment were identified as a major hindrance to the process. In fact, a large number of inactive projects remain open because of transfer problems, which stem mainly from lack of government funds to pay duties. As temporary measures for solving the problem, it was recommended that projects for 1996 must be registered at the Ministry of Planning and Finance in the Triennial Public Investment Plan and that for 1995 projects, local purchases should be advocated.

A. Modalities of technical assistance

42. The increase in resources spent on national execution from 13 per cent in 1992 to 84 per cent in 1994 was highlighted by both the Government and UNDP. Good results have been attained in national execution at the level of programme and project administration. UNDP hopes that the National Execution Unit in the Ministry of Foreign Affairs and Cooperation can take a lead role in responding to the Governments's desire for national execution of more substantive aspects of the programme.

43. While UNDP and the Government were praising the increase in the use of national execution, some concerns that the process of decentralization causes some difficulties for the participation of the Government in the implementation of national executed programmes, in particular, the management of pre-programmes, were cited. Recognizing elements of frankness in the comments, it was proposed that a tripartite meeting be organized to discuss the role of cooperating agencies in national execution.

44. Another prominent feature of the fourth country programme was the increase in the number of national experts contracted, especially in the case of nationally executed programmes. A positive indicator was that most project coordinators were nationals or locally recruited expatriates. However, national recruitment was still not at the desirable level for either UNDP or the Government. Thus, further efforts should be made to support the trend for national recruitment.

45. Regarding the contracting of nationals, the issue of salaries and problems associated with using various payment scales were discussed extensively. It was agreed that a meeting of representatives form the Ministry of Foreign Affairs and cooperation, UNDP and UNICEF should be organized to review salary conditions and to search for solutions to problems caused by recruitment under the budget lines for administrative support personnel and national programme and project personnel.

46. While foreign expertise is still needed, the Government and other donors would like to see more affordable resident expertise. It was proposed that high-level consultants come to Mozambique only on short-term assignments, with perhaps follow-up visits to assess progress made during their absence. At the mid-term review, the vital role of 305 United Nations Volunteer (UNV) specialists in the peace and electoral processes was recognized.

47. UNDP raised concerns about the fines being charged for expatriates' non-possession of the Document of Identity for Foreigners working in the United Nations system. It was agreed that UNDP and the Ministry of Foreign Affairs and Cooperation should meet to come up with a satisfactory solution on the rates and on compliance. Similarly, a meeting will be called to discuss how the process of contracting cooperantes (United Nations foreign technical personnel directly hired by the Government and financed by untied donor contributions) can be completed more quickly.

48. A main concern of the fourth country programme was to include women in programmes as both participants and beneficiaries. Data displayed at the mid-term review revealed that in percentages of UNVs or recipients of fellowships, the level of women's involvement is approximately 30 per cent and therefore needs to be increased. Several projects are designed to benefit women, including support for women to become entrepreneurs (212 beneficiaries); integrated community development activities for increased food production; and strengthening the institutional capacity of non-governmental organizations (NGOs) in dealing with women.

49. Technical cooperation among developing country schemes, although limited during the first half of the fourth country programme, have worked particularly well as South/South technical assistance has progressed in Mozambique, through financing that was assured by UNDP and/or other donors. The trust fund for health, which will pool resources from several donors, particularly favours the recruitment of medical and non-medical specialists in South African Development Community and Latin America countries. A Brazilian distance education firm, which co-finances its costs with the World Bank, has been hired for the education programme.

50. The national NGO sector is still at the nascent stage. National NGOs are the beneficiaries of several projects formulated in 1994. UNDP inherited various activities from ONUMOZ that are implemented by NGOs and expects that the trend to use NGOs for implementation will expand as grass-roots activities branch out to all parts of the country. The Government recognizes there is a role for NGOs in development activities. The UNDP country office intends to further develop its cooperation with NGOs.

51. In evaluating Mozambique's first experience with TSS-1 and TSS-2, UNDP indicated that TSS-2 is a clearly defined mechanism which has functioned well. The recipient institutions have been involved with the cooperating agency and UNDP in decisions related to the use of the TSS-2 funds.

52. However, TSS-1 has not yet proven to be as useful as anticipated, primarily because it has produced studies which are excessively theoretical and difficult to operationalize. At the mid-term review, it was suggested that there should be more decentralization from headquarters to the country offices in making decisions about the agencies involved in the strategic studies covered by TSS-1.

VI. KEY CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions

53. The mid-term review highlighted the relevance of the priorities of the fourth country programme for Mozambique for the period 1993-1997, namely, poverty alleviation and post-war rehabilitation, economic and financial management, environment and national resources.

54. General conclusions included:

(a) The programme and its priorities were viewed as sufficiently flexible and comprehensive to respond adequately to the recent political, social and economic transformations resulting from the implementation of the October 1992 peace agreement;

(b) In fact, the flexibility of the fourth country programme allowed UNDP to undertake a series of new endeavours linked to the success of the recent peace process;

(c) Although severe problems hamper the functioning of government institutions, the overall response of most counterpart ministries to involvement with UNDP was satisfactory. The fact that Government's counterparts acting as National Project Directors are in many cases National Directors or Heads of Departments, while adding to their workload, produced positive effects on some aspects of the decision-making process;

(d) The major concerns of the UNDP Executive Board (SHD, national execution, the programme approach, etc.) were taken into consideration fully during the formulation and implementation of the fourth country programme. The growth of the national execution modality was highlighted as a particular achievement, which should be built upon and expanded;

(e) The increase in the use of national experts, especially within nationally executed programmes, was recognized as a positive development, which should be continued, as was the large-scale use, particularly during the elections, of UNV personnel;

(f) The involvement of NGOs in UNDP programmes has not yet expanded to the desired level;

(g) The experience of aid coordination mechanisms such as pooling arrangements and forums such as the Aid-For-Democracy Working Group are proving to be efficient means of strengthening donor coordination, and the need to further promote these types of mechanisms was recognized.

B. Recommendations

55. A new strategic approach, focusing on four major areas of concentration, was agreed upon as the basis for the remaining duration of the fourth country programme. Programmes within the areas of poverty eradication, economic and financial management, good governance and natural resource management will consist of the following:

(a) Strengthening of selected government institutions that play a predominant role in national economic management;

(b) Promoting programmes which contribute to and stimulate the present rehabilitation and reconstruction process;

(c) Consolidating democratic rule through support to state and civil society institutions and organizations that play a vital role in this area;

(d) Supporting grass-roots initiatives with the explicit aim of poverty alleviation through job creation and the provision of basic services;

(e) Involving communities in the management of local resources.

56. The following issues will permeate UNDP activities:

(a) SHD principles;

(b) Growing use of national expertise;

(c) Increased use of less costly modalities of international technical cooperation: subcontracting within the subregion, UNVs, cooperantes, etc.;

(d) Special attention to the issue of women as participants and programme beneficiaries;

(e) Inclusion of EOPs in programmes and projects;

(f) Selection of activity sites based on a high concentration of populations formerly affected by the war;

(g) Continued reduction of small projects that remain from the previous cycle and increased emphasis on the programme approach;

(h) Increasing assistance to the development of national sectoral policies in areas deemed as priority by the Government;

(i) Inclusion of IPF seed funds;

(j) Mechanisms for improving the Government's management and coordination of aid;

(k) Activities that enhance United Nations system coordination;

(l) Further expansion of collaboration with and increased involvement of NGOs in UNDP programmes.

57. The new strategic approach described above is intended to allow UNDP to support fully the transition from emergency and relief to longer-term reconstruction and rehabilitation.

58. Following an analysis of the problematic features which marred the implementation of the first half of the fourth country programme, UNDP and the Government have committed themselves to a number of actions which are designed to improve the impact and efficiency of the remainder of the programme.

59. In the case of UNDP, the organization will:

(a) Encourage programme officers to undertake additional efforts to acquire first-hand knowledge of development issues in Mozambique. Recruitment of staff should take into consideration the need to blend experience, skills, innovation, dynamism and fluency in Portuguese;

(b) Build upon its experience and vocation as a coordinator among the United Nations agencies and the donor community at large, by taking the lead in proposing new areas of joint intervention, ideas and providing a capable intersectoral coordination;

(c) Intensify its aggressive approach to resource mobilization and strengthen its proactive profile.

60. In turn, the Government will:

(a) Nominate experienced and professional counterparts in a timely fashion;

(b) Commit itself, with the assistance of the donor community, to significant public sector reform, through the preparation of a strategic policy for the sector so as to prevent the present drain and improve the effectiveness of international technical assistance;

(c) Focus less on the material aspects and more on improving the potential benefits of technical assistance;

(d) Facilitate all procedures linked to the implementation of technical assistance-related activities.

Annex

FINANCIAL SUMMARY

I. RESOURCES

A. Resources available for country programme period

	$	$
IPF	46 170 000 a/	
Estimated cost-sharing	10 392 000	
Joint programme funding	-	
Total		56 562 000

B. Commitments

Approved programme/project budgets b/		
Approved and allocated IPF	40 456 000	
Approved and unallocated IPF	5 215 000	
Subtotal		45 671 000
Approved and allocated cost-sharing	9 010 000	
Approved and unallocated cost-sharing	646 000	
Subtotal		9 656 000
Pipeline programme/projects		
IPF	499 000	
Cost-sharing	736 000	
Subtotal		1 235 000
Total		56 562 000

C. Balance of resources available for further programming

IPF	-
Cost-sharing	-
Balance of resources available	- c/

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a/ Compared to the $92,969,000 originally anticipated for the fifth cycle, IPF; the reduction results from the revision of the IPF to 70 per cent of its originally established figure, negative carry-over from the previous cycle ($2,696,000) and 1992 expenditure ($16,212,000).

b/ "Approved and allocated" refer to those programmes and projects approved by the Action Committee or Bureau PAC for which there exist detailed, signed documents and budgets. "Approved and unallocated" represent the balance of funds available to the programme or project which have yet to be reflected in specific budget lines.

c/ This figure represents the net balance of IPF and cost-sharing resources available plus joint programme funding less approved and allocated/unallocated IPF and cost-sharing funding less pipeline IPF and cost-sharing.

II. PROPOSED AND ACTUAL ALLOCATIONS OF RESOURCES BY AREA OF CONCENTRATION a/

(Thousands of dollars)

Area of concentration	IPF		Cost-sharing		Total		Percentage of total	
	(P)	(A)	(P)	(A)	(P)	(A)	(P)	(A)
Poverty alleviation	45 234	25 171	3 661	2 099	48 895	27 270	51	48
Economic and financial management	13 932	8 796	-	-	13 932	8 796	15	16
Environment and natural resource management	8 059	7 733	967	431	9 026	8 164	10	14
Governance	-	323	-	5 688	-	6 011	-	11
Other country programme priorities	-	4 147	-	2 174	-	6 321	-	7
Unprogrammed reserve	23 242	-	-	-	23 242	-	24	-
Total	90 467	46 170	4 628	10 392	95 095	56 562	100	100

a/ Taking into account the 30 per cent reduction of IPF for the fifth cycle.

III. ESTIMATED COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES

(Thousands of dollars)

	At the time of formulation of country programme	At time of mid-term review
UNDP-administered funds a/	23 854	
Other United Nations resources b/	106 431	106 431
Non-United Nations resources c/	127 970	127 970
Total	258 255	234 401

a/ Special Programme Resources, the United Nations Capital Development Fund, the United Nations Emergency Office Trust Fund and the United Nations Development Fund for Women and the Global Environment Facility.

b/ The United Nations Population Fund, the World Food Programme, the International Fund for Agricultural Development and the Food and Agriculture Organization of the United Nations/Technical Cooperation Programme.

c/ The World Bank and the Swedish International Development Authority.